

Department of Public Health  
and Human Services

Section:  
INCOME

TANF CASH ASSISTANCE

Subject:  
Unearned Income

**Supersedes:** TANF 501-1 (07/01/05)

**References:** ARM 37.78.102, .402 and .416

GENERAL RULE—All unearned income received by the filing unit is considered when determining eligibility for TANF cash assistance. All unearned income, whether countable or excluded according to policy, is entered and coded appropriately on the TEAMS UNIN screen.

**ADOPTION  
SUBSIDIES  
(TITLE IV)**

Title IV adoption subsidies are intended to pay for general living expenses and are countable unearned income to the child; code 'OT' against the child.

**ANNUITY  
PAYMENT**

Annuities are contracts or agreements that provide for the payment of annuitized income at regular intervals (i.e., monthly, quarterly, annually, etc.). Code on TEAMS using the appropriate income code based on the source of the annuity.

The annuity is an excluded resource if payments are being made, but the payments may be countable unearned income.

**NOTE:** If the individual is not legally prohibited from receiving annuity payments, they must avail themselves of the payments as a condition of eligibility.

**ASSISTANCE  
PROGRAMS**

All federal, state, or local assistance paid directly to the household may be countable or excluded unearned income depending on the source.

**NOTE:** Vendor payments from federal, state, or local assistance programs may also be countable. See 'Vendor Payments' and 'In-kind Income' in this section.

Assistance payments include the following:

1. Supplemental Security Income (SSI; also known as Title XVI benefits); code 'SI' excluded.
2. Retirement, Survivors and Disability Insurance (RSDI; also known as Title II benefits); code 'SS' countable.
3. State Supplemental Payments (SSP); code 'ST' excluded.

Section: INCOME

Subject: Unearned Income

**NOTE:** SSI 1619B recipient is considered to be SSI eligible under Title XVI; earned income code 'SI', excluded. However, any cash contribution given directly to the household is considered unearned income to the household. (Code CO on UNIN)

**NOTE:** 'SI', 'SS' and 'ST' benefits should automatically interface onto the UNIN screen based on Social Security tapes matched with TEAMS. The Eligibility Case Manager accesses the SOLQ query to determine the correct SSI and RSDI when the amount is questionable.

When the interface occurs too late in the month to give timely notice, the income is adjusted to the previous amount and an alert is set to change the income for the following month.

4. TANF cash assistance (TC) automatically interfaces when authorized in Montana; code 'AF'. TANF cash assistance received in another state must be entered manually; code 'AP' countable. For an explanation on how to handle the time clock for assistance received in two states see TANF 803-1.
5. Bureau of Indian Affairs (BIA) General Assistance; code 'GA' countable.

## CAPITAL GAINS

Capital gains from the sale of **personal** property or a house, when not in the business of buying and selling houses, see 'Sale of a Resource' in TANF 402-1, if payment is made in a lump sum.

Refer to 'Sale of a Resource' in this section if payment is made in installments instead of a lump sum.

Refer to section 503-1 for 'Capital Gains' from the sale of self-employment property.

## CHARITABLE DONATIONS

Cash donations based on need received by the household from one or more private nonprofit organizations are countable; code 'OA'.

## CHILD CARE BLOCK GRANT

Child care payments paid to the parent whose child is receiving care are excluded because the parent is obligated to give the payment to the child care provider; code 'OX'.

**NOTE:** The payment is countable earned income from self-employment when a required filing unit member is the service provider. See section 503-1.

Section: INCOME

Subject: Unearned Income

**CHILD SUPPORT  
ARREARAGE**

Child support arrearages received on a regular monthly payment schedule are part of the current payment and are countable; code 'CS AR'. If the child(ren) the payment is intended for is still in the home, code against the child(ren). If the child(ren) is no longer in the home, code against the adult even if the payment is being passed on to the child.

**NOTE:** If the payment is being passed on to a child(ren) who is no longer in the home and that child(ren) is also on assistance, the payment may be counted twice. Once in the parent's home as 'CS AR' and once in the child's home as 'CO'.

A child support arrearage paid in a one-time payment is considered a lump sum and is excluded; code 'LS'.

**CHILD SUPPORT  
or ALIMONY**

Payments made directly to the household (filing unit) by CSED, when CSED is aware the household receives TANF cash assistance, are arrearages. For arrearages see above.

**NOTE:** Child support income is countable when an applicant keeps the child support received prior to the initial authorization of TANF cash assistance; code 'CS'.

Anytime a household receives a child support payment from the non-custodial parent or an out of state Child Support Enforcement Agency after the initial TANF cash assistance benefit authorization, the child support is excluded income due to the requirement to turn the money over to the Child Support Enforcement Division (CSED); code 'OX'.

**NOTE:** When a TANF cash assistance recipient keeps child support that should have been sent to CSED, **the Eligibility Case Manager will set up an overpayment** and make a referral to Claims and Recovery for evaluation of an Intentional Program Violation. (IPV)

**CHILD SUPPORT  
SUPPLEMENT  
PAYMENTS**

House Bill 529 provides that a child support supplement payment will be issued to TANF families, using TANF block grant funds. The amount is based on **current** child support collected from a non-custodial parent. Excluded income. Code 'CS SP',

**COMMUNITY  
SERVICES  
ADMINISTRATION**

Payments from the Crisis Intervention Program (CIP) administered by the Community Services Administration (CSA) are excluded; code 'OX'.

Section: INCOME

Subject: Unearned Income

**CONTRACT for DEED**

Payments received from a contract for deed that are excluded as a resource are considered countable unearned self-employment. The cost of doing business is deducted from the gross income to arrive at the countable net income; code the net income 'OT'. The income is countable over the period the income was intended to cover.

**NOTE:** Allowable business expenses include: escrow fees, property taxes and insurance. The interest earned and the portion of the payment for principal, are countable income when the contract for deed is an excluded resource.

When the contract for deed is countable as a resource, only the interest payment (minus cost of doing business--see 'business expenses' above) is counted as income; code 'DI'. The payment on principal is excluded.

**CONTRIBUTIONS**

Income received from an outside source that can be anticipated, but cannot be otherwise excluded as a valid loan, is considered a contribution to the household and is countable; code 'CO'.

**CRIME VICTIM COMPENSATION**

Payments received under this program, regardless of the circumstances of payment, are excluded; code 'OX'.

**DISASTER RELIEF ACT**

Payments issued as a result of a Presidentially declared emergency or major disaster as defined in this Act as amended, are excluded; code 'OX'. This exclusion applies to Federal assistance provided to individuals directly affected and to comparable disaster assistance provided by states, local governments, and disaster assistance organizations. Also, see 'FEMA' in this section

**DIVIDEND and ROYALTY INCOME**

Dividend and royalty income are countable because they are a gain or benefit to the household; code 'DI' or 'RO', as appropriate.

**NOTE:** See section 501-2 'Native American Income' for royalties from Indian lands, oil, gas, and timber.

Definition of Royalties: Royalties include compensation paid to the owner for the use of property, usually copyrighted material such as books, music, etc., or natural resources such as mineral, oil, gravel or timber.

Royalties are unearned income unless they are received as part of a trade or business (See FMA 503-1 Self-Employment) or when received by an individual in connection with any publication of his/her work under which circumstances the royalties are considered countable earned income.

Payments for the use of natural resources must be received under an agreement whereby the owner authorizes another to manage and extract

Section: INCOME

Subject: Unearned Income

the product AND receives an amount that is dependent on the amount of product actually extracted in order to be considered royalties.

The cost of producing the income can be deducted from unearned royalties. These costs include production and/or severance taxes, but do not include income taxes or windfall profit tax deductions withheld. Expenses can only be deducted from earned royalties if the income is derived from a current self-employment business.

Dividend or royalty income is counted when it is received and cannot be averaged (prorated) over period of intended use. However, payments can be averaged to determine the best estimate of the next payment.

### EDUCATIONAL INCOME

Educational grants, loans, scholarships, and VA education payments that are directly related to the individual's attendance at an institution of higher education are excluded; code 'ED'.

### ENERGY PAYMENTS

Energy payments made to households (filing units) are excluded; code 'OX'. These include: Section 8/HUD Utilities Payments, LIEAP payments and Farmer's Home Administration (FHA) Rent Subsidy Payments.

### FEMA FUNDS

Federal Emergency Management Assistance (FEMA) funds, which are made to households to pay for rent, food and utility assistance when there is **no** major disaster or emergency, are countable, when they can be prospected; code 'OT'. If the payment is related to a disaster see 'Disaster Relief' above.

When FEMA pays the rent directly to the landlord, the amount is considered a vendor payment. See 'Vendor Payment' in this section.

### FOSTER CARE

Foster care payments made for a child that is **not** included in the filing unit are excluded. Code the income against the foster child or foster adult (code '**FC CO**').

A caretaker relative cannot receive foster care payments and TANF cash assistance for the same child for the same month.

### GARNISHMENT

Count the gross income to determine benefits if unearned income is garnished for a purpose not related to an overpayment from the same income source. For example, when workers' compensation is being garnished for child support the gross workers' compensation payment is countable; code 'WC'.

**NOTE:** Payment of a legally obligated child support debt is an allowable expense. See TANF 602-1.

Section: INCOME

Subject: Unearned Income

See 'Recoupments for Overpayments' in this manual section if the income is being reduced to repay overissued income from the same income source.

## GIFTS

Monetary gifts to the household, such as money received as a birthday, anniversary, graduation or Christmas present, are generally excluded for TANF cash assistance. The exclusion is usually due to the inability to prospect the income.

Gifts of money up to \$50 per filing unit member per month are excluded. If the gift is \$50.00 or less, code 'GI'. Gifts over \$50.00 per person per month, which can be prospected are countable in their entirety; code 'OA'.

Countable gifts given to an entire household are prorated among the household members. (Example: a \$300 gift given to a household of six for Christmas would be prorated as \$50 per household member -  $\$300 \div 6 = \$50$  each.) When the gift is countable for all programs, it is coded 'CO'.

## HOME EQUITY CONVERSION PLAN

There are several variations of Home Equity Conversion Plans that allow households to borrow money or receive payments against the value of their home. The most common conversion plans are either a Reverse Annuity Mortgage Loan Program (RAM) or a Home Equity Conversion Sale Leaseback Program. A case-by-case review must be made to determine if the money is countable unearned income or an excluded loan due to variations in the programs. **(See 'Loans' for policy on home equity loans.)**

### Reverse Annuity Mortgage:

Payments received from a Reverse Annuity Mortgage loan program (RAM) are considered a loan. Therefore, they are excluded income for all programs; code 'LO'. The Eligibility Case Manager should request verification of the loan agreement between the mortgage company and the homeowner to verify when the loan is to be repaid. TEAMS case notes must be documented.

Generally repayment will begin when the:

1. house is sold;
2. owners no longer occupy the house; or
3. owners die and repayment is taken from the settlement of the estate.

### Home Equity Conversion Sale Leaseback Program:

Under this program the house is sold to an investor who pays the homeowner the purchase price in a series of payments and gives the homeowner a lease to live in the home for a specific period of time,

Section: INCOME

Subject: Unearned Income

sometimes until death. It is necessary to review each sale-leaseback transaction to evaluate the specific financial arrangements to determine if the proceeds from the property are considered income or a resource. Payments received in one month are a resource in the month received. Monthly payments are countable unearned income to the household.

### **INDIVIDUAL DEVELOPMENT ACCOUNTS (IDAs)**

Individual Development Accounts (IDA's) may be established by or on behalf of an individual eligible for TANF cash assistance. IDA's are created and funded through periodic IDA contributions by an individual and matched by or through a not-for-profit organization or a state or local government agency in cooperation with such organization. The purpose of the account is to enable an individual to accumulate funds for post-secondary education, first home purchase or business capitalization. There are Demonstration Project IDAs in Montana that are not funded with TANF.

Only earned income can be deposited into an IDA. Before being deposited, the earnings are counted as wages on the EAIN screen. Therefore, when funds are withdrawn, for whatever reason, they are not considered income to the household because they have already been counted. Even if the income was not counted against a Montana case when deposited, it is still not considered income when withdrawn. Interest earned on the IDA is excluded.

For combination cases, the portion of wages that are excluded for SSI-MA is coded 'OA' for TANF cash assistance and FMA; 'OF' for FS. The remaining portion of wages is coded 'WA'.

### **INCOME TAX REFUND/CREDIT**

Income tax refunds are excluded. Code 'OX'.

**NOTE:** Earned Income Tax Credit payments received either as an advance payment or as a refund are excluded earned income; code 'EI'.

### **IN-KIND INCOME**

See 'Bartering' in Section 503-1 for policy regarding in-kind services exchanged between two or more self-employment business.

Unearned in-kind income is food or shelter provided to a household that is not given in exchange for work. This is considered excluded income. (UNIN Code 'IK'). However, it must be evaluated to determine if it is a contribution (i.e., The participant's mother is giving money directly to the participant to buy groceries or pay rent.) (UNIN Code 'CO').

**NOTE:** If the household is working in exchange for the food or shelter, see Section 502-1 'In-kind Income'.

Section: INCOME

Subject: Unearned Income

**INTEREST**

**Interest earned on a countable resource** (such as a countable savings account) is excluded as income; code 'OX'.

**Interest earned on an excluded resource** (such as an excluded contract for deed) is countable as income.

Countable interest income is counted when it is received and cannot be averaged (prorated) over period of intended use. However, payments can be averaged to determine the best estimate of the next payment.

**IRREGULAR OR  
INFREQUENT  
INCOME**

Any amount of income that can be reasonably prospected is counted.

**LEASE  
INCOME**

Also, see Native American income in section 501-2.

Lease income that is unrelated to Native American resources is countable; code 'LE'.

Prorate expected income over the period of time it is intended to cover.

**EXAMPLE:** If the lease is for a six month period of time but the payment is only made once in that six month period, the income would be averaged over six months beginning with the month the payment is made to the household.

When the filing unit is in the business of buying and selling leases or managing lease property, the income is considered self-employment. See 503-1.

**NOTE:** When a lease contract will experience a significant change in the next year, schedule the redetermination for the month prior to the month of the expected significant change.

**LOANS RECEIVED  
BY HOUSEHOLD**

All valid loans, including loans from private individuals as well as commercial institutions are excluded; code 'LO'.

Educational loans are coded differently. See 'Educational Income' in this section.

**NOTE:** All loans **received**, other than deferred repayment educational loans, are considered resources since they are available as liquid resources (cash on hand or in checking accounts) until the money from the loan is spent. See section 402-1.

Section: INCOME

Subject: Unearned Income

**Verification of a valid loan:** The agreement can be written or oral but repayment cannot be contingent on the occurrence of an uncertain event.

**LOAN REPAYMENTS TO HOUSEHOLD** When a loan previously given by the household is **counted** as a resource, repayment of the loan is excluded and only the interest is counted; code 'OX' for the principal; code 'DI' for the interest. See 402-1 for resource determination. 'OX' for the principal; code 'DI' for the interest. When a loan previously given by the household is **excluded** as a resource, such as when the loan cannot readily be liquidated, the full payment of principle and interest is counted as income; code 'OT'.

**LUMP SUM PAYMENTS** Nonrecurring lump sum payments are excluded income; code 'LS'.

**NOTE:** See TANF 402-1 for resource considerations.

Examples of lump sum payments are:

- Severance pay or sick leave. See sections 501-1 and 502-1.
- Rebates or credit refunds.
- Crop insurance proceeds. See section 503-1.
- Social Security, SSI, TC, Tribal TANF, Railroad Retirement or insurance settlements.

## **MILITARY ALLOWANCES**

A **Family Subsistence Supplemental Allowance (FSSA)** is paid to certain service members and their families, if determined eligible by the Department of Defense. The amount of FSSA is shown on the member's Leave and Earnings Statement.

The **Military Basic Allowance for Housing (BAH)** is one monthly payment, replacing the Variable Housing Allowance (VHA), and Basic Allowance for Quarters (BAQ). The BAH is based on civilian rental costs by pay grade, dependency status, and housing compensation based on comparable civilian costs of housing. See 'Veterans Administration' in this section.

BAH (BAQ or VHA) and FSSA allowances are considered countable **unearned**; code 'MI'. If FS are also open, then codes 'OM' and 'OA' are used on UNIN to exclude the income from FS.

## **NATIONAL SCHOOL LUNCH PROGRAM or NUTRITIONAL PROGRAM for the ELDERLY**

The value of assistance to children and elderly under these Acts is not income and is not required to be listed on TEAMS.

Section: INCOME

Subject: Unearned Income

**PAYMENTS TO PROTECTIVE PAYEE**

Monies received and used for the care and maintenance of a third party beneficiary (adult or child) who is not a member of the protective payee's household, are excluded as income for the protective payee; code 'OX'. It is a best practice to list this income on TEAMS although it is not a requirement.

As a condition of eligibility, applicants/participants must take necessary steps to obtain all income to which they may be entitled. Therefore, the amount intended for the beneficiary is counted against the beneficiary even if they are not actually receiving the income from the protective payee.

**PENSION PAYMENTS**

Recurring payments from pension plans are countable unearned income; code 'GP', 'RR', or 'OP' accordingly. Also, see 'Veterans Administration' in this section.

**PLAN for ACHIEVING SELF-SUPPORT (PASS)**

Income paid to an SSI recipient under a plan for achieving self- support is excluded; code 'OX'.

**RECOUPMENT FOR PRIOR OVERPAYMENTS**

See 'Garnishments' in this section if the recoupment is unrelated to an overpayment.

Enter the net income (amount after the repayment is taken) on TEAMS when money is withheld from an assistance payment, earned income or other income source to repay a previous overpayment from that same income source.

**REIMBURSEMENTS**

Reimbursements for past or future expenses unrelated to normal living expenses, are excluded for all programs to the extent they do not exceed actual expenses and do not represent a gain or benefit to the household.

Reimbursements for normal living expenses such as mortgage, rent, personal clothing or food eaten at home are a gain or benefit and are not excluded as a reimbursement. These exchanges should be evaluated under other income categories such as contributions or in-kind income on a case-by-case basis.

The following are examples of excluded reimbursements:

1. Reimbursements or flat allowances for job or training- related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site. Reimbursements provided over and above basic wages for these expenses are excluded. However, these expenses, if not reimbursed, are not otherwise

## Section: INCOME

## Subject: Unearned Income

deductible. Reimbursements for the travel expenses of migrant workers are also excluded.

2. Reimbursements for out-of-pocket expenses of volunteers incurred in the course of their volunteer work.
3. Medical and dependent care reimbursements, including reimbursements from Veterans Administration for 'Unusual Medical Expenses'.
4. Reimbursements received by the filing unit to pay for services provided by Title XX of the Social Security Act.
5. Renters Credit or Homeowners Credit.

If the excluded reimbursement is in the form of an earned training allowance, code it as 'TR' on EAIN. All other excluded reimbursements are coded 'OX' on UNIN.

**NOTE:** Reimbursements for childcare in the form of adoption subsidies are countable income. Actual dependent care expenses are allowed as a disregard up to the maximum limit.

**RENTAL INCOME**

Rental self-employment income and rental partnership income where the individual is not actively participating in the business at least 20 hours per week is considered unearned self-employment income and is countable.

**SALE OF A RESOURCE**

See section 503-1 'Capital Gains' for sale of **self-employment resources**.

When income from the sale of a **personal** resource is received in **installment payments**, the payments minus cost of doing business are countable income.

When the contract is counted as a resource, such as a contract that can be readily liquidated, **only** the **interest** portion of the installment payment is counted as income; code 'DI', countable for all programs.

**EXAMPLE:** Joe is open on TANF. He sells his camper for \$1,000. An initial payment of \$300 is received (countable resource), with the balance to be paid in monthly payments of \$100. The installment contract can be readily liquidated so the remaining \$700 is also considered a countable resource. Only the interest received would be considered income; code 'DI'.

Section: INCOME

Subject: Unearned Income

**NOTE:** If the installment contract cannot be readily liquidated (i.e., language states that it cannot be sold to a bank or other financial institution), it would be considered inaccessible and excluded. Therefore, both the \$300 and \$100 monthly payments in their entirety would be counted as income; code 'OT'. (There was zero cost of doing business.)

When proceeds from the sale of a **personal** resource are received in **ONE payment**, the payment is not considered income but instead a resource in the month received. See TANF 402-1.

### SAVINGS OFFER SUCCESS

Savings Offer Success (SOS payments made by Rural Opportunities, Inc. (ROI) are privately financed payments to households for a down-payment on a house, start-up costs of a self-employment business, or tuition costs for post-secondary education. For every \$1 the individual deposits, ROI will deposit \$3 in matching funds. Matching awards are made from funds that are not owed to the household and are excluded as income. Payments out of the accounts are made as vendor payments to a third party on behalf of a household, therefore these are also excluded as income; code 'OX'.

### SETTLEMENTS & RESTITUTION PAYMENTS

**Agent Orange:** Payments made under the Agent Orange Compensation Act (P.L. 101-201) are excluded.

**NOTE:** Payments of Veteran's benefits to veterans with service-connected disabilities resulting from exposure to Agent Orange are not excluded. Code 'VA'.

**Asbestos:** Funds received from an asbestos settlement or lawsuit are countable the earlier of when available or when received.

#### **Disabled Children of Female Vietnam Veterans**

Payments or restitution made by the VA to disabled children (now adults) of females who served in Vietnam between February 1961 and May 1975 are excluded; code 'OX'.

**Factor VIII or IX Concentrate Blood Products Litigation, MDL 986 (No. 93-C-7452, Northern District of Illinois):** Settlement payments as a result of the class action lawsuit to hemophilia patients infected with HIV (Human Immunodeficiency Virus) through blood plasma products are excluded.

**Nazi Persecution Victims:** Restitution made to individuals because of their status as victims of **Nazi Persecution** under P.L. 103-286 is excluded.

Section: INCOME

Subject: Unearned Income

**Radiation Exposure:** Radiation Exposure Compensation Act payments are excluded. (P.L. 101-425)

**Spina Bifida:** Payments made to children of Vietnam veterans for disabilities resulting from spina bifida are excluded. (P.L. 104-204)

**Susan Walker V. Bayer Corporation, et al, 96-C-5024 (Northern District of Illinois):** Payments made from any fund established pursuant to this class settlement and payments made pursuant to a release of all claims in a case that was entered into in lieu of the class settlement and that was signed by all affected parties in such case on or before December 31, 1997 are excluded.

**Wartime Relocation of Civilians:** Payments of "Wartime Relocation of Civilians" made to certain U.S. citizens of Japanese ancestry, resident Japanese aliens, and certain eligible Aleuts under Title I of PL 100-383 or the Civil Liberties Act of 1988 are excluded.

**SEVERANCE PAY** Severance pay is considered earned income. See TANF 502-1.

**SICK LEAVE/  
VACATION PAY** When sick leave or vacation pay is received while still employed it is earned income. See TANF 502-1.

Vacation pay received after employment termination is treated as severance pay. See TANF 502-1 'Severance Pay'.

Sick leave pay received after employment termination is countable earned income in the month received; code 'OA'. See TANF 502-1.

**NOTE:** When sick leave pay is received as a lump sum after employment termination, it is excluded; code 'LS'.

**SPONSORED  
ALIENS** Code the sponsor 'DP' on the SEPA screen and enter all of their income next to their name on UNIN, EAIN, and SEEI. TEAMS deems the available income to the eligible alien. See TANF 604-1.

**STRIKER  
INCOME** If a required filing unit member is on strike, the family would not be eligible for TANF cash assistance.

**SUBSIDIZED  
GUARDIANSHIP** Subsidized guardianship payments made for a child who is not included in the filing unit are excluded; Code child 'OU'. Code the income against the child. A caretaker relative cannot receive subsidized guardianship payments and TANF cash assistance for the same child for the same month.

Section: INCOME

Subject: Unearned Income

**SUPPORTIVE  
SERVICE  
PAYMENTS**

Supportive services payments made to participants through the TANF cash assistance program are excluded from income; code 'OX'.

**TEMPORARY  
DISABILITY  
INSURANCE**

Income is countable to the extent it is not a reimbursement for specific costs and is paid directly to the household; code 'TD'.

**EXAMPLE:** Household is receiving payments of \$50 directly from an insurance company to be used as chosen by the household for expenses. Even if the intent of the insurance company is for the beneficiary to use payments toward car rental or medical bills, the household is not required to do so. The \$50 is countable, coded 'TD'.

**TRUST FUNDS**

Monies withdrawn from an inaccessible trust fund, unless otherwise excluded, are countable in the month received; code 'OT', if counted for all programs. It may be necessary to code the income using the 'OA', 'OM' and 'OF' codes if other programs are open.

Monies withdrawn from an accessible trust fund are excluded as income because an accessible trust fund is a countable resource. Money cannot be considered income and a resource in the same month. Code 'OX', if excluded for all programs.

Monies received and used for the care and maintenance of a third party beneficiary (adult or child) who is not a member of the trustee's filing unit are excluded as income for the trustee; code 'OX'. It is a best practice although it is not a requirement to list this income on TEAMS.

Dividends, unless otherwise excluded, that the household has the option of receiving as income or reinvesting in the trust are countable in the month they become available; code 'OT'.

**UNEMPLOYMENT  
COMPENSATION**

Unemployment compensation payments are countable; code 'UI'. Eligibility Case Managers should access MISTICS (Department of Labor and Industry) to verify unemployment benefits.

**NOTE:** If taxes or child support are taken out of the unemployment payment, count the gross amount before these deductions. When it is appropriate, allow the child support deduction on EXPE.

**UNIFORM  
RELOCATION  
ASSISTANCE**

Payments made under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 are excluded; code 'OX'. These payments include:

Section: INCOME

Subject: Unearned Income

- Payments to individuals displaced as a result of the acquisition of real property.
- Relocation payments to a displaced homeowner toward the purchase of a replacement dwelling. Such payment may only be to a displaced owner who purchases and occupies a dwelling within one year following displacement.
- Replacement housing payments to a disabled person not eligible for a homeowner's payment as listed above.
- Payments or settlements to U.S. citizens of Japanese ancestry and resident Japanese aliens of up to \$20,000 each and payments to certain eligible Aleuts of up to \$12,000 each.

## VENDOR PAYMENTS

An unearned payment made in money on behalf of a household is considered a vendor payment when an individual or organization, outside of the household, uses its own funds to make a direct payment to the household's creditors or to a person organization providing a service to the household. Most unearned vendor payments are excluded; code 'OX'.

Payments made by a government agency to a childcare provider for a household member's childcare expenses are also excluded as vendor payments. The dependent care deduction must be adjusted accordingly.

Some exceptions that are countable income are as follows:

- Money legally obligated or otherwise payable to the household but is diverted by the provider of the payment to a third party for a household expense;
- Money deducted or diverted from a court-ordered support or alimony payment to a third party for a household expense because the payment is taken from money which is owed to the household;

or

- All or part of a TANF cash assistance or Tribal TANF payment normally provided in a money payment to the household but is diverted to a third party or a protective payee for purposes such as managing the household's expenses.

## VETERANS ADMINISTRATION

Payments from the Veterans Administration, retirement or disability payments are countable for all programs; code 'VA'. Also, see 'Military Allowances in this section.

Section: INCOME

Subject: Unearned Income

See 'Settlements and Restitution' for 'Agent Orange', 'Spina Bifida', 'Disabled Children of Female Vietnam Veterans' and 'VA Aid and Attendance' for policy specific to those payments.

**VETERANS  
AID AND  
ATTENDANCE**

Payments from the Veterans Administration for Aid and Attendance are countable; code 'VA' 'AA'.

**WEATHERIZATION**

Federal, state or local one-time payments for weatherization and replacement or repair of heating or cooling devices are excluded.

**WOMEN, INFANTS  
and CHILDREN  
(WIC)**

The value of assistance to children under the Supplemental Food Program for Women, Infants and Children (WIC) is excluded and is not entered on TEAMS.

**WORKER'S  
COMPENSATION**

Workers' Compensation payments are countable; code 'WC'.

**NOTE:** If attorney fees are being taken from the Workers' Compensation bi-weekly payments, the gross amount is counted as income, as it is legally obligated and otherwise payable to the participant.

**WORK  
SUPPORT  
PAYMENT**

Work Support Payments are excluded for eligibility determination for Medicaid and Child Care. WSP is also excluded for **ongoing** Food Stamp cases.

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